

Group Term Life Insurance Coverage Opportunity for State of Indiana Employees

American United Life Insurance Company®
a ONEAMERICA® company
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www.employeebenefits.aul.com



New Life Insurance coverages are being offered by American United Life Insurance Company® (AUL)

Why do you need group life insurance coverage?

If you were to die, would your surviving dependents be able to meet these financial obligations?

- Mortgage or Rent
- Debt Liquidation: Credit card balances and/or installment loans
- Education costs for your children
- On-going expenses including childcare, food, clothing, utilities
- Immediate Financial obligations: Burial expenses, taxes, medical expenses, legal fees

Many working Americans today are under insured . . .

- 39% of adults do not have any group or individual life insurance; and another 20% of adults are insured only by group insurance provided by their employers.¹

What can group term life insurance coverage offer?

- Affordable life insurance coverage for you and your dependents
- Guaranteed Issue amounts of coverage without medical underwriting
- Continuation of insurance options if employment ends
- Accelerated Life Benefits (ALB) for you and your spouse

How much life insurance could an employee select?

- Eligible employees can make this decision based on the amount of premiums they want deducted from their paychecks and the maximum amount of coverage offered

How do eligible employees apply?

Eligible **full-time** State of Indiana employees may apply for coverage under the group life insurance policy. All applications must be completed and submitted within the enrollment period established for the eligible employee's specific agency. Unless approved in advance by the State Personnel Benefits Division, all enrollments **must** be completed via the State of Indiana's PeopleSoft Enrollment System. If you do not apply for coverage using the PeopleSoft Enrollment System, any existing group life insurance coverage with AUL will terminate as of December 31, 2005.

To apply for any life insurance coverage after the initial enrollment period has ended, employees will first be required to submit Evidence of Insurability, undergo medical underwriting, and be approved for coverage by AUL before any coverage will exist. Premium payments greater than the amount of premium owed will not result in additional coverage under AUL's contract.

Please Note: Basic life insurance coverage under the group life insurance policy is a prerequisite for approval of supplemental life insurance coverage. Basic life insurance and supplemental life insurance coverages under the policy are prerequisites for approval of dependent life insurance coverage.

Please contact the Benefits Coordinator within your agency for assistance with the application process.

¹1999 LIMRA Report- Trends in Life Insurance Ownership Among Americans

Basic Life and AD&D Insurance Coverage Features

Basic life and Accidental Death & Dismemberment (AD&D) insurance coverages are being offered to eligible **full-time** State of Indiana employees.

The amount of basic life and AD&D insurance coverage is equal to an employee's annual salary rounded up to the next \$1,000 multiplied by 150%. The amount of coverage will change according to any changes to an employee's salary.

Basic Life and AD&D Insurance Premium:

Both the State of Indiana and the employee will share the premium cost for basic life and AD&D insurance. The Bi-Weekly premium rate for basic life and AD&D insurance is \$0.233 per one thousand of rounded annual salary. The Monthly premium rate is \$0.337 per one thousand of volume. The actual amount of premium will be deducted from the employee's paycheck and will be shown on their payroll statements.

Supplemental Life Insurance Coverage Features

Supplemental life insurance now offers more flexible and new dependent life insurance coverage options

Supplemental life insurance is available to eligible **full-time** State of Indiana employees. Individuals must first select basic life insurance coverage in order to apply and be approved for supplemental life insurance.

Employees may apply for supplemental life insurance coverage in increments of \$10,000 up to a maximum of \$150,000. Upon reaching age 65, any amount of coverage in excess of \$100,000 will automatically reduce to \$100,000.

Supplemental Life Insurance Premium:

Employees are responsible for paying 100% of the premium for supplemental life insurance. The premium for supplemental life insurance will increase as the employee enters the next age bracket. The supplemental life insurance premium rates per \$10,000 of coverage are being offered as follows:

Age	Bi-Weekly Premium Rate	Monthly Premium Rate**		Age	Bi-Weekly Premium Rate	Monthly Premium Rate**
18 to 29	\$0.50	\$1.10		50 to 54	\$2.00	\$4.30
30 to 39	\$0.50	\$1.10		55 to 59	\$3.20	\$6.90
40 to 44	\$0.80	\$1.70		60 to 64	\$4.60	\$10.00
45 to 49	\$1.30	\$2.80		65 & Over*	\$7.40	\$16.00

*Maximum of \$100,000 in coverage offered to employees age 65 and over.

**For agencies billed directly by AUL.

Charts reflecting the premium costs for coverage amounts being offered in \$10,000 increments are attached to this document. The actual amount of premium will be deducted from your paycheck and will be shown on your payroll statements.

Dependent Life Insurance

Life insurance coverage for eligible dependents is available to eligible **full-time** State of Indiana employees. Individuals must first select basic and supplemental life insurance in order to apply and be approved for dependent life insurance.

Definition of Dependent:

In order for an employee to apply and be approved for dependent life insurance, the person must satisfy the following definition:

“DEPENDENT means:

- a) a Person’s legal spouse.
- b) a Person’s unmarried child, step-child, foster child, or adopted child of the Person or the Person’s spouse, or any child who resides in the Person’s home for whom the Person or spouse has been appointed legal guardian, under the age of 19 (or under the age 23, if the child is a full-time student at an education institution). A Person’s child shall remain a Dependent until the earliest of the following dates:
 - (i) the date of marriage;
 - (ii) the end of the calendar year in which the child attains age 19; or
 - (iii) the end of the calendar year in which the child attains age 23, if the child is a full-time student at an educational institution.
- c) a Person’s unmarried child who is incapable of self-sustaining employment as a result of mental or physical disability and is chiefly dependent upon the Person for support and maintenance. The child must have been incapacitated prior to age 19 and while insured as a Dependent under this policy. Extension of coverage is subject to AUL’s receiving written proof of the incapacity not later than 120 days after the end of the calendar year in which the maximum age is attained. Coverage for such child will continue until the Person discontinues his coverage or the disability no longer exists. Proof of continued incapacity shall be required not more than once each year thereafter.”

Dependent Life Insurance Options:

Employees may **only apply for one** of the following coverages for eligible dependent(s):

Option	Spouse Only	Child(ren) Only	Spouse and Child(ren)
A	\$5,000	\$5,000	\$5,000 each
B	\$10,000	\$10,000	\$10,000 each
C	\$15,000	\$15,000	\$15,000 each

Only the above coverage options are available beginning January 1, 2006. If you wish to apply for dependent life insurance, you must select one of these options and *correctly* identify each dependent who will be insured.

Dependent Life Insurance Premium:

Employees are responsible for 100% of the premium for dependent life insurance coverage. The premium rates for dependent life insurance coverage are being offered as follows:

Option	Spouse Only	Bi-Weekly Premium Rate	Monthly Premium Rate*
A	\$5,000	\$0.72	\$1.56
B	\$10,000	\$1.44	\$3.12
C	\$15,000	\$2.16	\$4.68
Option	Child(ren) Only	Bi-Weekly Premium Rate	Monthly Premium Rate*
A	\$5,000	\$0.45	\$0.98
B	\$10,000	\$0.90	\$1.95
C	\$15,000	\$1.35	\$2.93
Option	Spouse and Child(ren) Benefit	Bi-Weekly Premium Rate	Monthly Premium Rate*
A	\$5,000 each	\$1.00	\$2.17
B	\$10,000 each	\$2.00	\$4.33
C	\$15,000 each	\$3.00	\$6.50

*For agencies billed directly by AUL.

The actual amount of premium will be deducted from your paycheck and will be shown on your payroll statements

Coverage Features

Suicide Exclusion Clause:

Following January 1, 2006, all life insurance coverages will have a two (2) year suicide limitation.

Accelerated Life Benefit:

Employee- If eligible for this benefit, you may apply for payment of [25%] or [50%] of the amount of life coverage.

Spouse- If the amount of dependent spouse coverage is \$15,000 and if eligible for this benefit, your spouse may apply for payment of [25%] or [50%] of the amount of dependent life coverage.

Conversion Options:

If group term life insurance coverage or a portion of it ceases, insureds may be entitled to apply for an individual whole life conversion contract. For further information, insureds can contact AUL or review their insurance certificate for details as to eligibility and how to apply for this option.

Beneficiary Designations:

It is imperative and helps avoid payment delays if understandable beneficiary designations are provided. Sample and recommended beneficiary designations can be reviewed at www.employeebenefits.aul.com. After reaching that site click on 1) Customer Service Forms & Tools then 2) For the State of Indiana Policyholder Only then 3) Beneficiary Designation – Group Life Insurance – For the State of Indiana Policyholder Only and finally 4) Sample Beneficiary Designations. Please note insureds are not able to designate a beneficiary for the dependent life insurance coverage since the employee is always the beneficiary for dependent life insurance coverage.

Customer Service:

If you should have any questions or require additional information, feel free to contact an AUL representative at 1-800-673-3216. Some forms are available on our website at www.employeebenefits.aul.com. In order to access the forms, click on “Customer Service Forms and Tools”, and then “For the State of Indiana Policyholder Only”.

Notes:

This invitation to inquire allows interested eligible employees an opportunity to inquire further about group life insurance coverage and is limited in its description of the losses for which benefits may be payable. The contract has exclusions, limitations, reduction of benefits, and terms under which the contract may be continued in force or discontinued. The contract may contain a waiting or elimination period between the effective date of the contract and the effective date of coverage, and a time period between the date a loss occurs and the date benefits begin to be payable for the loss.

If a choice of the amount of benefits is offered, the amount of benefits provided depends upon the coverage selected and premium can vary with the amount of benefits selected. If a range of benefit levels is present, the applicant is only entitled to the benefit level shown in the contract.

Actual premium will be calculated by AUL. Premium rates do increase upon reaching certain age brackets, according to contract terms, and are subject to change.

Any payable benefit is based on a percentage of an employee's covered earnings subject to AUL's approval, contract maximums, contract reductions, and according to contract terms and conditions.

State of Indiana Supplemental Life Insurance Premium Rates

Monthly Rates Based upon \$10,000 increments

Amount of Coverage	AGE								
		18 to 29	30 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65+
	\$10,000	\$1.10	\$1.10	\$1.70	\$2.80	\$4.30	\$6.90	\$10.00	\$16.00
	\$20,000	\$2.20	\$2.20	\$3.40	\$5.60	\$8.60	\$13.80	\$20.00	\$32.00
	\$30,000	\$3.30	\$3.30	\$5.10	\$8.40	\$12.90	\$20.70	\$30.00	\$48.00
	\$40,000	\$4.40	\$4.40	\$6.80	\$11.20	\$17.20	\$27.60	\$40.00	\$64.00
	\$50,000	\$5.50	\$5.50	\$8.50	\$14.00	\$21.50	\$34.50	\$50.00	\$80.00
	\$60,000	\$6.60	\$6.60	\$10.20	\$16.80	\$25.80	\$41.40	\$60.00	\$96.00
	\$70,000	\$7.70	\$7.70	\$11.90	\$19.60	\$30.10	\$48.30	\$70.00	\$112.00
	\$80,000	\$8.80	\$8.80	\$13.60	\$22.40	\$34.40	\$55.20	\$80.00	\$128.00
	\$90,000	\$9.90	\$9.90	\$15.30	\$25.20	\$38.70	\$62.10	\$90.00	\$144.00
	\$100,000	\$11.00	\$11.00	\$17.00	\$28.00	\$43.00	\$69.00	\$100.00	\$160.00
	\$110,000	\$12.10	\$12.10	\$18.70	\$30.80	\$47.30	\$75.90	\$110.00	NA
	\$120,000	\$13.20	\$13.20	\$20.40	\$33.60	\$51.60	\$82.80	\$120.00	NA
	\$130,000	\$14.30	\$14.30	\$22.10	\$36.40	\$55.90	\$89.70	\$130.00	NA
	\$140,000	\$15.40	\$15.40	\$23.80	\$39.20	\$60.20	\$96.60	\$140.00	NA
	\$150,000	\$16.50	\$16.50	\$25.50	\$42.00	\$64.50	\$103.50	\$150.00	NA

State of Indiana Dependent Life Insurance Premium Rates

Option	Spouse Only	Monthly Premium Rate*
A	\$5,000	\$1.56
B	\$10,000	\$3.12
C	\$15,000	\$4.68
Option	Child(ren) Only	Monthly Premium Rate*
A	\$5,000	\$0.98
B	\$10,000	\$1.95
C	\$15,000	\$2.93
Option	Spouse and Child(ren) Benefit	Monthly Premium Rate*
A	\$5,000 each	\$2.17
B	\$10,000 each	\$4.33
C	\$15,000 each	\$6.50

State of Indiana Supplemental Life Insurance Premium Rates

Bi-weekly Rates upon \$10,000 increments

Amount of Coverage	AGE								
		18 to 29	30 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65+
	\$10,000	\$0.50	\$0.50	\$0.80	\$1.30	\$2.00	\$3.20	\$4.60	\$7.40
	\$20,000	\$1.00	\$1.00	\$1.60	\$2.60	\$4.00	\$6.40	\$9.20	\$14.80
	\$30,000	\$1.50	\$1.50	\$2.40	\$3.90	\$6.00	\$9.60	\$13.80	\$22.20
	\$40,000	\$2.00	\$2.00	\$3.20	\$5.20	\$8.00	\$12.80	\$18.40	\$29.60
	\$50,000	\$2.50	\$2.50	\$4.00	\$6.50	\$10.00	\$16.00	\$23.00	\$37.00
	\$60,000	\$3.00	\$3.00	\$4.80	\$7.80	\$12.00	\$19.20	\$27.60	\$44.40
	\$70,000	\$3.50	\$3.50	\$5.60	\$9.10	\$14.00	\$22.40	\$32.20	\$51.80
	\$80,000	\$4.00	\$4.00	\$6.40	\$10.40	\$16.00	\$25.60	\$36.80	\$59.20
	\$90,000	\$4.50	\$4.50	\$7.20	\$11.70	\$18.00	\$28.80	\$41.40	\$66.60
	\$100,000	\$5.00	\$5.00	\$8.00	\$13.00	\$20.00	\$32.00	\$46.00	\$74.00
	\$110,000	\$5.50	\$5.50	\$8.80	\$14.30	\$22.00	\$35.20	\$50.60	NA
	\$120,000	\$6.00	\$6.00	\$9.60	\$15.60	\$24.00	\$38.40	\$55.20	NA
	\$130,000	\$6.50	\$6.50	\$10.40	\$16.90	\$26.00	\$41.60	\$59.80	NA
	\$140,000	\$7.00	\$7.00	\$11.20	\$18.20	\$28.00	\$44.80	\$64.40	NA
	\$150,000	\$7.50	\$7.50	\$12.00	\$19.50	\$30.00	\$48.00	\$69.00	NA

State of Indiana Dependent Life Insurance Premium Rates

Option	Spouse Only	Bi-Weekly Premium Rate
A	\$5,000	\$0.72
B	\$10,000	\$1.44
C	\$15,000	\$2.16
Option	Child(ren) Only	Bi-Weekly Premium Rate
A	\$5,000	\$0.45
B	\$10,000	\$0.90
C	\$15,000	\$1.35
Option	Spouse and Child(ren) Benefit	Bi-Weekly Premium Rate
A	\$5,000 each	\$1.00
B	\$10,000 each	\$2.00
C	\$15,000 each	\$3.00